LAW OFFICES

JOYCE & ASSOCIATES

10 Laurel Parkway
Chevy Chase, MD 20815

Rodney L. Joyce
(202) 415-4094 (ph)
(301) 718-6371 (fax)
RLJoyce@comcast.net

October 4, 2004

SUBMITTED ELECTRONICALLY

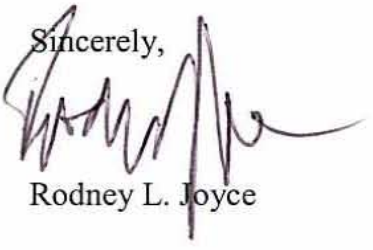
Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Re: WC Dkt. No. 04-313
CC Dkt. No. 01-338

Dear Ms. Dortch:

Enclosed for filing in the above docket are "Comments of Ad Hoc Telecommunications Manufacturing Coalition."

Sincerely,



Rodney L. Joyce

Enclosure

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

In the Matter of:	)	
	)	
Unbundled Access to Network Elements	)	WC Docket No. 04-313
	)	
Review of the Section 251 Unbundling Obligations of Incumbent Local Exchange Carriers	)	CC Docket No. 01-338

COMMENTS OF AD HOC TELECOMMUNICATIONS MANUFACTURING COALITION

October 4, 2004

TABLE OF CONTENTS

SUMMARY ii

DISCUSSION 1

I. The Commission Should Immediately Eliminate Requirements that ILECs Provide CLECs with UNE-P and Enterprise Loops and Transport As UNEs In Order To Create a Substantial Incentive for Both ILECs and CLECs To Invest In Telecommunications Infrastructure..... 4

A. Capital Spending by ILECs and CLECs Is at a Historic Low and Absent Changed Circumstances Shows No Sign of Significant Improvement for the Forseeable Future..... 4

B. Repealing Requirements that ILECs Provide UNE-P and Enterprise Loops and Transport As UNEs Will Help Capital Spending by ILECs and CLEC Rise Substantially..... 7

II. Eliminating the Requirement for ILECs to Provide UNE-P and Enterprise Loops and Transport as UNEs Also Is In the Public Interest Since It Will Improve the U.S. Economy As a Whole..... 10

A. The Health of Telecom Manufacturing Is a Major Determinant of the Health of the U.S. Economy..... 10

B. The Telecom Manufacturing Industry Continues to Have Serious Financial Problems..... 11

C. The Requirement to Provide the Network Elements At Issue Here As UNEs Contributes Significantly to the Telecom Manufacturing Industry's Financial Woes..... 14

CONCLUSION..... 15

SUMMARY

Although the Commission has invited comments on a variety of issues, we limit our comments to a single issue; namely, whether repealing the requirement that ILECs provide UNE-P and enterprise high capacity loops and transport as UNEs will benefit the public interest in any substantial way. In our Comments, we demonstrate that a permanent repeal of the requirement to provide these network functions as UNEs will benefit the public interest substantially in two ways, and for this reason we urge the Commission to repeal the requirement by the end of this year. First, we show, by discussing recent studies and economic data from numerous sources, that abandoning the requirement to provide these three functions as UNEs will provide a substantially increased incentive for both ILECs and CLECs to invest in telecom infrastructure. Second, we use additional studies and new government data to demonstrate that a repeal of the requirement to provide these three elements as UNEs will benefit the U.S. economy as a whole. In this regard, we show that (i) the health of telecom manufacturing has a far bigger impact on the health of the economy than its relative size would suggest; (ii) the telecom manufacturing industry remains in perilous financial condition; and (iii) the FCC's failure so far to eliminate the subject requirements is a large contributor to the industry's financial problems.

Our Comments have special credibility since they are offered by a coalition consisting of numerous large and small companies that make a large variety of telecom equipment for numerous types of customers, rather than by a coalition of companies making products for ILECs alone, the direct beneficiaries of repealing these requirements. Our customers include end users, other telecom manufacturers, and various telecom service

providers, including ILECs and CLECs as well as wireless and information service providers and long distance carriers.

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

In the Matter of:	)	
	)	
Unbundled Access to Network Elements	)	WC Docket No. 04-313
	)	
Review of the Section 251 Unbundling Obligations of Incumbent Local Exchange Carriers	)	CC Docket No. 01-338

COMMENTS OF
AD HOC TELECOM MANUFACTURER COALITON

Our 32 companies, which make a wide array of telecom products for both local and long distance service providers and end users and together employ more than 12,300 people, submit these Comments in order to urge the Commission to eliminate all requirements that ILECs provide UNE-P and enterprise loops and transport to CLECs as UNEs. Repealing these requirements is justified since, as we show below, forcing ILECs to provide these particular network functions as UNEs (i) provides a serious disincentive for both ILECs and CLECs to invest in new telecom infrastructure and (ii) puts a big drag on the U.S. economy as a whole. The Commission should eliminate each of these requirements by the end of the year.

DISCUSSION

For several years, FCC rules have required ILECs to provide CLECs with numerous network functions, including UNE-P and enterprise loops and transport, as UNEs. Under FCC policy, an ILEC must provide CLECs with any network functionality classified as a UNE at a rate which is below the ILEC's cost to provide that functionality,

whereas the ILEC is free to provide functionality not classified as a UNE at a market-based rate.

FCC rules requiring ILECs to provide UNE-P and enterprise loops and transport as UNEs were recently invalidated by the U.S. Court of Appeals for the D.C. Circuit.[1] There, the Court held that the FCC may require ILECs to provide a given network function as a UNE only when failure to do so would both (i) "impair the ability" of competitors to provide telecom service and (ii) otherwise be consistent with the public interest.[2] Applying this two part test, the Court invalidated rules requiring ILECs to provide UNE-P and enterprise loops and transport as UNEs without considering whether those particular rules otherwise are consistent with the public interest since the FCC had failed to show that competition would be impaired without them. The court then upheld the FCC's decision to eliminate requirements that ILECs provide line sharing and certain broadband network functions as UNEs even though competition is impaired since the impairment is outweighed by the public interest benefits that result from not requiring ILECs to provide those particular functions as UNEs.[3]

---

1 *U.S. Telecom Ass'n v. FCC*, 359 F. 3d 554 (D.C. Cir. 2004), *pets. for cert.*, Nos. 04-12 *et al.* (filed June 30, 2004).

2 *Id.*, 359 F. 3d at 570 (noting that the Court had admonished in *USTA v. FCC, 290 F. 3d 415 at 429 (D.C. Cir. 2002) that the* Communications Act, by stating that the Commission shall consider "at a minimum" whether mandatory provision of a given network feature as a UNE is necessary to avoid impairment of competition, requires the agency also to "balance the costs" of requiring provision of the feature as a UNE).

3 *Id.*, 359 F. 3d at 580 ("We . . . hold that the Commission reasonably . . . [decided not to require the provision of certain broadband network functions as UNEs] even in the face of some impairment, where such unbundling would pose excessive impediments to infrastructure investment"); *id.* at 585 ("even if . . . there is some impairment with respect to the elimination of mandatory line sharing, the Commission reasonably found that other considerations outweighed any impairment").

Despite the Court's decision to invalidate rules requiring ILECs to provide UNE-P and enterprise loops and transport as UNEs, the FCC nonetheless issued an order shortly after the Court's decision went into effect requiring ILECs to continue providing these functions as UNEs pending the agency's decision about whether to require that ILECs provide them as UNEs permanently, and in the same order the Commission opened the present proceeding seeking comments, among other things, on whether it should require the provision of these functions as UNEs on a permanent basis. [4]

Below, although we limit our comments to discussing the increased incentive to invest and the benefit to the U.S. economy that would occur if the FCC eliminates UNE-P and enterprise loops and transport as UNEs, we note that the Commission has sought comments on other issues as well, including (among others) the questions of whether competition would be impaired if these network functions are not provided as UNEs and whether the agency should eliminate the requirement that ILECs provide other network functions that its rules now require ILECs to provide as UNEs.

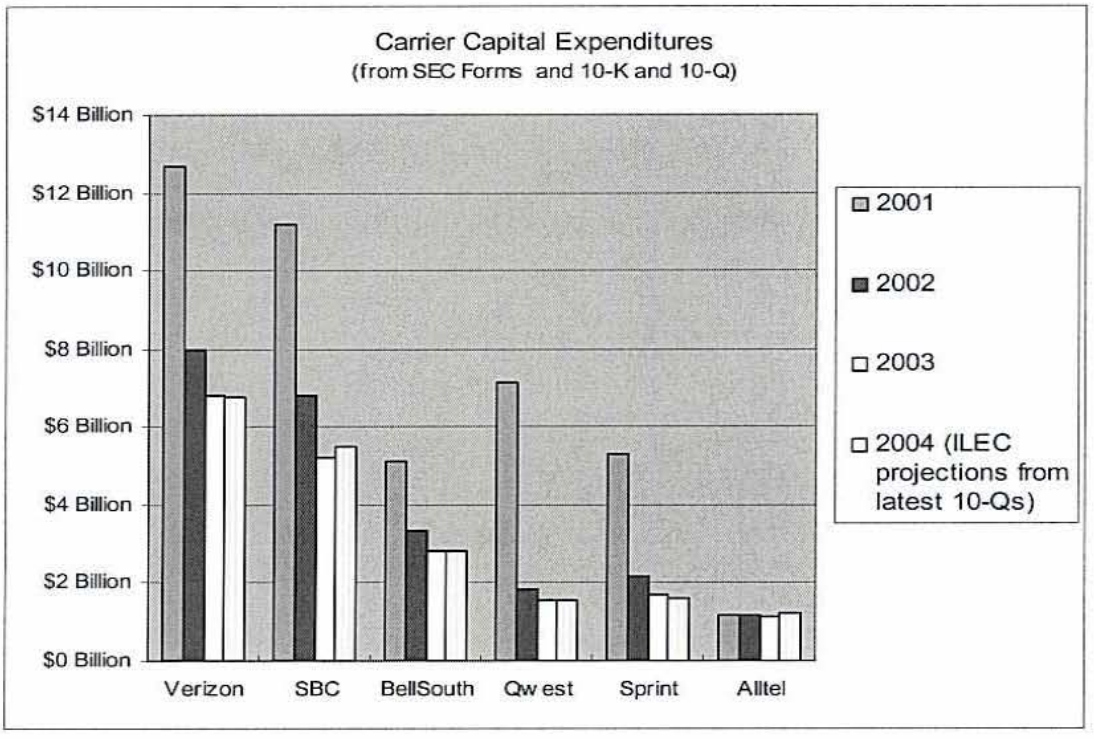
[4] Qwest, Verizon, and USTA have asked the D.C. Circuit Court to review the FCC's order requiring ILECs temporarily to provide the subject functions as UNEs and have petitioned that Court for a writ of mandamus against the FCC based on their belief that the FCC's order is patently inconsistent with the Court's order invalidating requirements that they provide these functions as UNEs. Both the review and mandamus actions are still pending.

I. The Commission Should Immediately Eliminate Requirements that ILECs Provide CLECs with UNE-P and Enterprise Loops and Transport As UNEs In Order To Create a Substantial Incentive for Both ILECs and CLECs To Invest In Telecommunications Infrastructure

A. Capital Spending by ILECs and CLECs Is At a Historic Low and Absent Changed Circumstances Shows No Sign of Significant Improvement for the Forseeable Future

For several years, telecom carrier investment in network infrastructure has been at an all time low. For example, capital spending by wireline service providers as a group fell by almost 73 percent in the four year period between January 2000 and December 2003,[5] and, as Fig. 1 shows, ILEC capital spending is expected to remain at 2003 levels for calendar year 2004 as well according to recent projections by ILECs.

Figure 1



In fact, however, ILEC capital spending in 2004 may turn out to be even lower than in 2003. For example, one research firm has projected that wireline carrier capital

[5] TIA Press Release (April 1, 2004), *available at* www.tiaonline.org/media/press_releases/index.cfm?parelease=04-34

expenditures will decline by six percent in the third quarter of 2004 as compared to the second quarter and will decline by eight percent for the last six months of the year as compared with the last six months of 2003 ($11.3 billion vs. $10.4 billion).[6] Another has projected that when the year is over, wireline carrier capital spending for all of 2004 will have decreased by two percent from 2003.[7]

Even more ominous is UBS Securities' conclusion that the unusually small amount of capital spending by wireline carriers as a group since 2002 "is likely to continue in the long term"[8] barring significant changes in regulatory policy or other unanticipated developments. And TIA, the principal telecom manufacturer trade association, projected this past spring that without significant relaxation in the regulation of ILECs, capital spending will be just $18.5 billion for 2007. This is less than 36

---

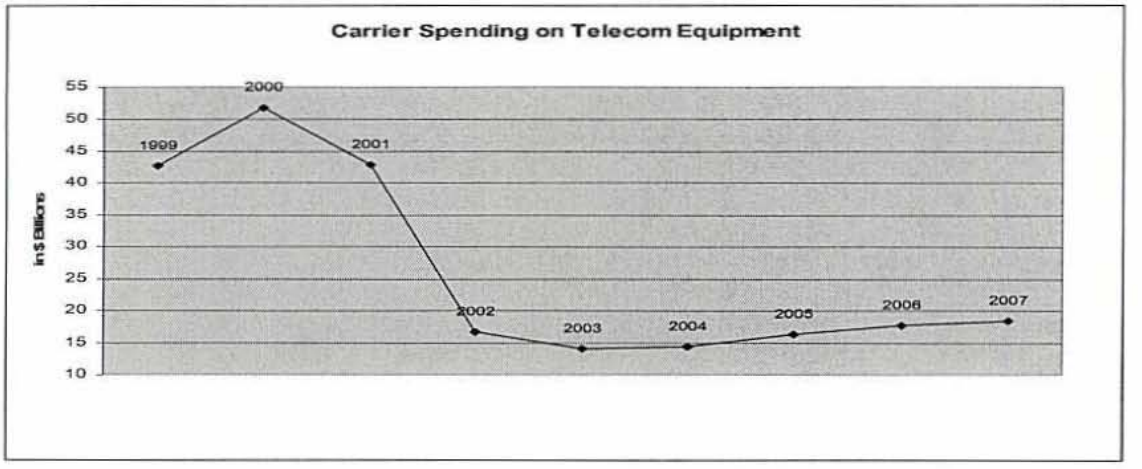
[6] UBS Investment Research, "Capex Shift to Hit Vendors" (Aug. 8, 2004), available at www.byteandswitch.com/insider/document.asp?doc_id=57100&site=lightreading.

[7] *See* Infonetics Research, "North American Service Provider Capex Spending Is Stabilizing", available at http://www.infonetics.com/resources/purple.shtml?spcapex.4q.nr.shtml (March 19, 2004). An investment level for 2004 that is no higher than (and perhaps lower than) in 2003 contrasts sharply with historic year-to-year change in investment by ILECs. Between 1990 and 2000, for example, carrier investment increased annually by an average of 10.4 percent, and in only two of those 11 years was investment growth below five percent from the previous year. *See* J. Eisenach and T. Lenard, "Telecom Deregalation and the Economy, *supra*, at 6-19 (Release 10.3 Jan. 2003).

[8] UBS Investment Research, "Capex Shift to Hit Vendors", *supra.*

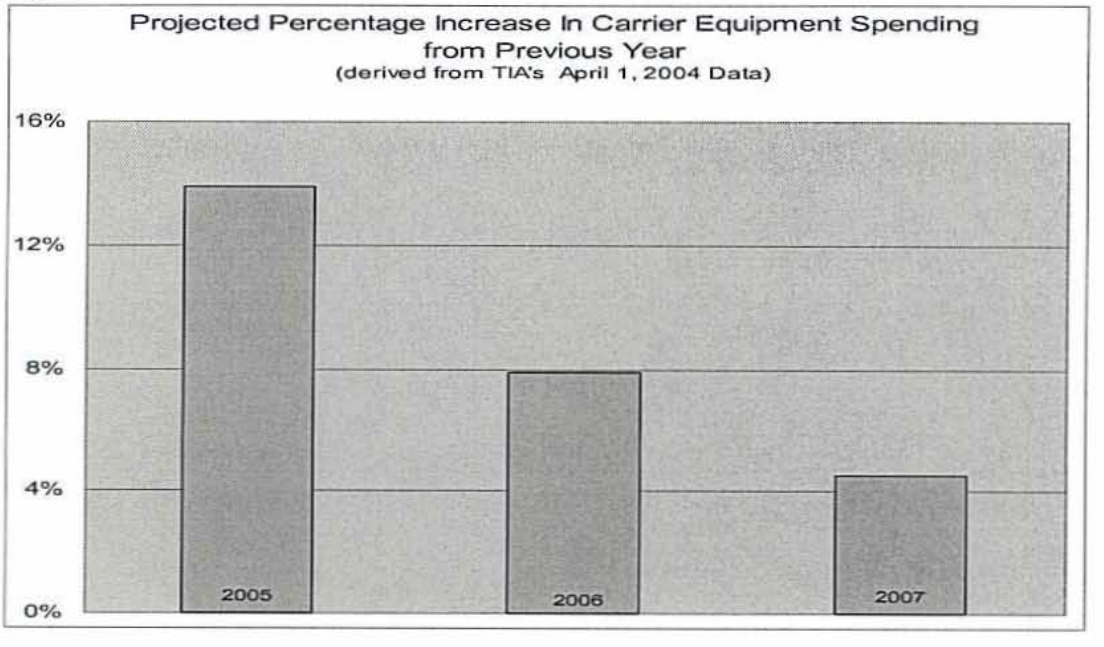
percent of the $51.9 billion that was spent in 2000. Fig. 2 depicts this sad state of affairs:[9]

Figure 2



Equally important is that while TIA earlier this year projected that carrier spending on telecom equipment will grow in each of the next three years, it predicted that without regulatory relief the growth rate could decline precipitously with each passing year as shown in Fig. 3.

Figure 3



[9] Derived from TIA Press Release (April 1, 2004), *supra.*.

B. Repealing Requirements that ILECs Provide UNE-P and Enterprise Loops and Transport As UNEs Will Help Capital Spending by ILECs and CLECs Rise Substantially

If requirements to provide UNE-P and enterprise loops and transport as UNEs are eliminated, the incentive for ILECs to invest in new telecom infrastructure will increase dramatically since ILECs then might be able to increase annual income by billions of dollars. Eliminating requirements to provide these network functions as UNEs could produce billions in additional income by permitting ILECs for the first time to fully recover the costs they incur to provide these functions rather than requiring ILECs to provide the functions at below cost rates.[10] For example, one study projects that ILECs now lose more than $3 billion each year from the requirement to provide UNE-P, just one of the network functions at issue here, as a UNE. This conclusion is based both on the study's finding that the rate at which ILECs are required to sell a single UNE-P UNE is $203 less per year on average than the ILECs' cost to provide UNE-P functionality and on the fact that ILECs provided more than 15 million of UNE-P UNEs at the end of 2003[11] (15 million x $203 > $3 billion). A copy of this study is attached as Att. 1.[12] Numerous other studies also have

---

[10] *See* R. Pindyck, "Mandatory Unbundling and Irreversible Investment in Telecom Networks" (Jan. 2004) at 3-6 (explaining that UNE pricing regulations do not permit ILECs to recover the real cost they incur in providing network functionality as a UNE because the regulations set UNE prices (i) to recover the then current cost of deploying the infrastructure necessary to provide the UNEs rather than the actual, most likely higher cost actually incurred in the past to deploy that infrastructure; and (ii) at levels designed to avoid imposing the full market risks associated with deployment of that infrastructure.

[11] *See FCC Industry Analysis and Technology Division,* "Local Telephone Competition: Status as of December 31, 2003" at Table 4 (June 2004) reporting that ILECs provided 15.16 million UNE-P UNEs to their competitors as of December 31, 2003 and that the number of such UNEs provided at a given time increased (i) by more than 50 percent between December 31, 2001 and December 31, 2002 and (ii) by another 50 percent between December 31, 2002 and December 31, 2003).

[12] In fact, under the analysis set forth in this study ILECs will lose more than $4 billion during 2004 (and more than $6 billion in 2005) from the requirement to provide UNE-P as a UNE since the number of such UNEs provided today is probably closer to 22 million given that FCC data shows that the number of such UNEs purchased by competitors increases about 50 percent from the previous year (*i.e.*, 22 million x $203 = $4.46 billion). *See* note 11, *supra*.

concluded that the rates at which ILECs must sell the network functionality at issue here produce billions of dollars less revenue per year than the ILECs' costs. Attached as Att. 2 is a report summarizing seven such studies.[13]

While ILECs theoretically might use, for a variety of purposes other than network investment, the billions in additional income that could result from eliminating requirements to provide UNE-P and enterprise loops and transport as UNEs, they almost certainly would spend a substantial portion of the increased income on capital investments because of the huge backlog of infrastructure needs that exists today. The roughly 73 percent decline in annual capital spending that has occurred since 2000 makes the backlog of unmet needs self-evident.

It is not necessary to rely solely on economic theory to conclude that requirements to provide UNE-P and enterprise loops and transport as UNEs results in less capital spending since economic theory is confirmed by the fact that ILECs have halted actual network modernization projects mid-stream due to the requirement to provide these specific features as UNEs. Just twelve days ago, for example, Verizon announced that it will discontinue the replacement of circuit switches in California with more efficient packet switching facilities due to its obligation to use the switching functionality of those new switches to provide UNE-P.[14]

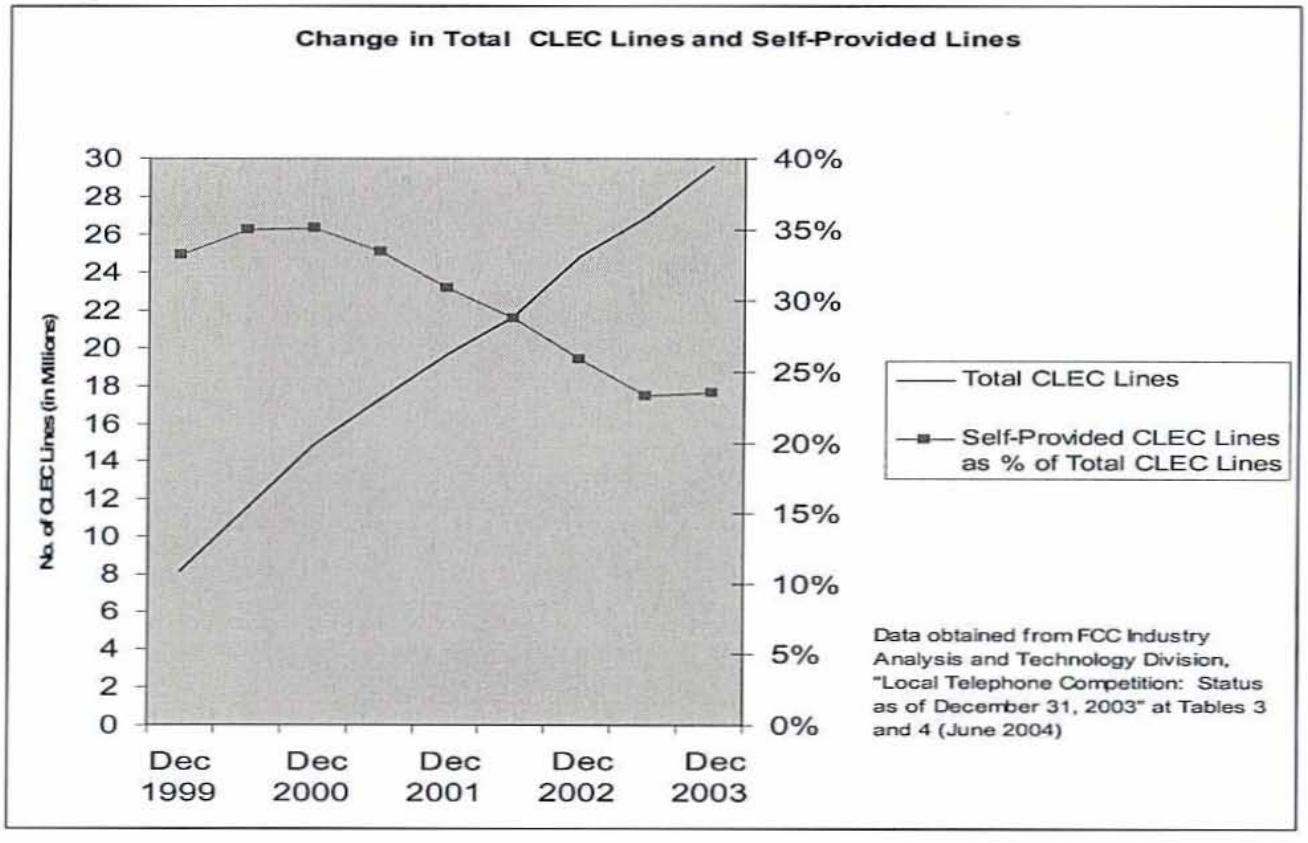
---

[13] *See also* "The McKinsey Quarterly 2004", No. 3 (Aug. 2, 2004), available at www.mckinseyquarterly.com/article_page.aspx?ar=1437&L2=22; W.T. Brough, "Bringing U.S. Telecom Regulations Up to Speed", Mar. 26, 2004.

[14] *See Interim Order Confirming the Assigned Commissioner and Adm. Law Judge Ruling Granting Emergency Motion for an Order Maintaining the Status Quo, Case 04-08-026 (Cal. PUC, rel. Sept. 21, 2004) (holding that Verizon must provide the UNE-P UNE even when the switching component of that UNE is provided using packet switching); "Calif. Reg. Ruling Disrupts Verizon's Investment in Technology"(Verizon News Release dated Sept. 22, 2004) (stating that the above CPUC order "undermine[s] the economics of" replacing circuit switches with packet switches).*

Not only will ILEC capital spending rise dramatically if ILECs are relieved of the obligation to provide UNE-P and enterprise loops and transport as UNEs, CLEC capital spending also will rise. This is because without the requirement to provide these network functions as UNEs ILECs might raise the price they charge CLECs to obtain those functions in order to fully recover their costs of providing it, and this price increase will make it more attractive for many CLECs to deploy their own networks rather than continue to use the ILECs' networks by purchasing UNEs. Moreover, increased capital spending by CLECs could be significant. This is clear from the fact that despite huge growth in subscribership in the past four years, CLECs have been obtaining, as UNEs, an ever increasing percentage of the network functionality they need to provide service as Fig.4 shows.

Figure 4



II. Eliminating the Requirement for ILECs To Provide UNE-P and Enterprise Loops and Transport As UNEs Also Is In the Public Interest Since It Will Improve the U.S. Economy As a Whole

Eliminating the requirement to provide UNE-P and enterprise loops and transport as UNEs is in the public interest not only because it will give both ILECs and CLECs an increased incentive to invest in their networks but also because it will give a substantial boost to the U.S. economy as a whole by helping the telecom manufacturing industry. As discussed below (i) the health of telecom manufacturing has a far bigger impact on the health of the economy than its relative size would suggest; (ii) that industry remains in perilous financial condition; and (iii) the FCC's failure so far to eliminate the subject requirements is a large contributor to the industry's financial problems.

A. The Health of Telecom Manufacturing Is a Major Determinant of the Health of the U.S. Economy

A regulatory policy that benefits the telecom manufacturing industry will boost the U.S. economy since telecom manufacturing is a significant driver of economic growth. For example, a new study by the New York Federal Reserve Bank concludes that telecom manufacturing contributed nearly four percentage points to the decline in total U.S. investment in 2001 and that the massive retrenchment in the information equipment and software industry (of which communications equipment is one of the largest components) was "a major factor restraining GDP growth to a minimal level in that year."[15] Another study has projected that due to the spillover effect, 974,000 new jobs would be created throughout the economy if spending on telecom products increased

[15] Fed. Reserve Bank of NY, "Curent Issues in Econ. And Finance" at 3 (Vol. 10, No. 6, May 2004, available at www.newyorkfed.org/research/current_issues.

to a level similar to what existed at that time.[16] Yet another study has projected that rapid deployment of DSL, FTTP, FTTC and other broadband technologies (which the study assumes will occur only by eliminating requirements to provide as UNEs the network functions at issue here) will add as many as 1.2 million jobs throughout the U. S. economy (including at least 140,000 in the telecom industry alone) and will add an average of $9.5 billion per year to the nation's Gross Domestic Product.[17]

B. The Telecom Manufacturing Industry Continues To Have Serious Financial Problems

It is beyond dispute that the telecom manufacturing industry continues to experience serious financial problems. More than 500,000 jobs have been lost in the industry since 2001.[18] The sector that produces hardware for ILECs by itself had lost 57,000 jobs as of last spring,[19] and thousands more jobs have been eliminated since then.[20] Moreover, although sales of telecom products to end users and wireless carriers are rising, continued sales declines to ILECs and CLECs more than offset increased sales

---

16 S. Pociask, "Building a Nationwide Broadband Network: Speeding Job Growth", Feb. 25, 2002.

17 Criterion Economics, "The Effects of Ubiquitous Broadband Adoption on Investment, Jobs and the U.S. Economy" (Sept. 2003).

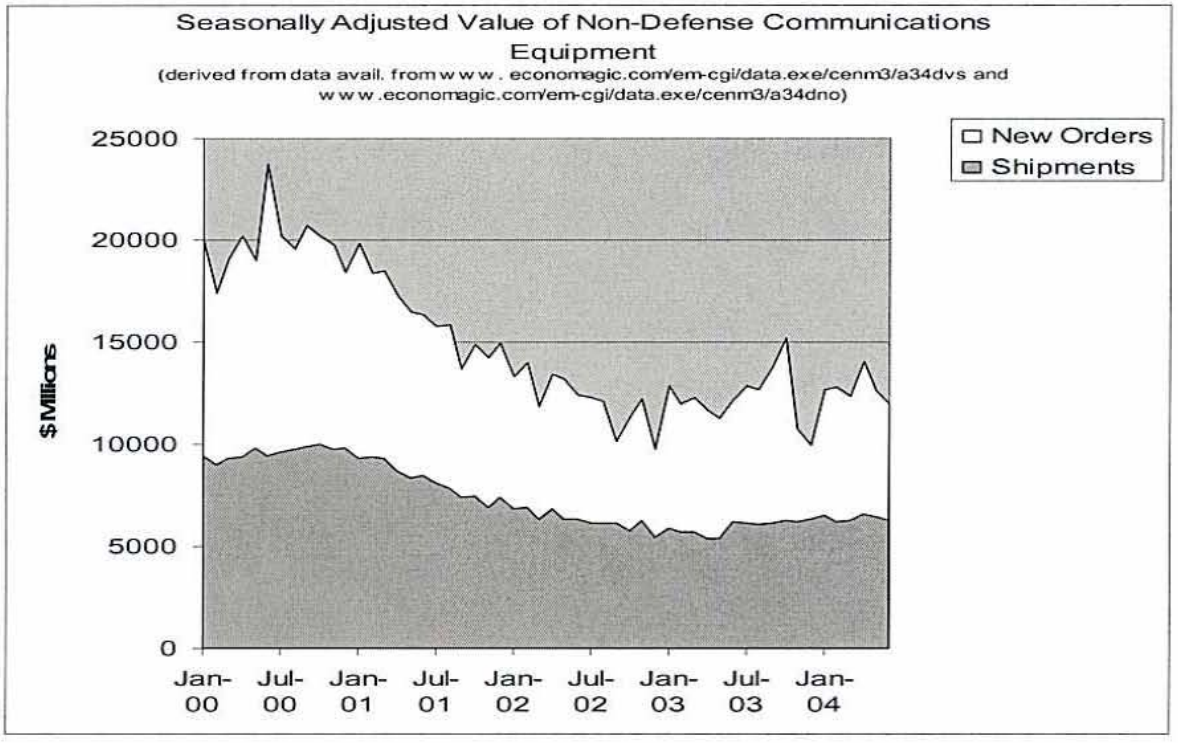
18 *See* Telecom. Industry Ass'n, "The Economic and Social Benefits of Broadband Deployment" at 4 (Oct. 2003).

19 S. Pociask, "A Failure to Communicate: Reforming Public Policy in the Telecommunications Industry" at 3 (Econ. Policy Inst. 2004).

20 *See, e.g.*, discussion on p. 12, *infra*, of Nortel's recent decision to lay off another 3,500 workers.

to these other groups. As a result, total product shipments to all buyers combined continue to stagnate today as Fig. 4 shows.

Figure 4



The most recent financial reports of telecom manufacturers confirm that the industry remains in serious trouble. For example, while sales by Lucent to largely unregulated mobile service providers are increasing modestly, the company's sales to the heavily regulated wireline segment continue to decline. In fact, in the April–June 2004 quarter, Lucent's wireline sales decreased to $715 million, a three percent decline from the previous quarter.[21]

Nortel's wireline sales are declining even faster – by more than 16 percent in the first half of 2004 as compared with the first half of last year.[22] Moreover, Nortel

---

[21] Figures obtained from Lucent's July 21, 2004 management presentation reviewing second quarter 2004 performance, available for download at www.lucent.com/investor.

[22] Figures obtained from Nortel's Business Update dated August 19, 2004 (reporting that less than 18 percent of the company's January-June 2004 revenues of $5.1 billion reflected sales to wireline carriers)

announced in August of this year that it planned to reduce its workforce by an additional 3,500 within the next four months because of its weak financial position.[23] These new staff cuts will come on top of thousands of others in the last two years.

Alcatel's wireline sales have deteriorated too – by 5.8 percent in the first half of 2004 as compared with the first half of last year.[24] Alcatel's R&D also continues to take a hit, declining again in the most recent quarter—this time by 2.3 percent.[25]

While Cisco has reported that its net product sales revenues increased for the fiscal year ending July 31, 2004 as compared with the previous fiscal year, the vast majority of the increase resulted from sales to business, institutional, and residential end users rather than telecom service providers, and Cisco has predicted a continuing slump in sales to service providers.[26] Not surprisingly in view of the continued depression among telecom manufacturers, Cisco's R&D spending during FY 2004 was flat when compared with the previous year and was down 10 percent from FY 2002.[27]

The story is similar for smaller telecom manufacturers too. For example, while revenues at Tellabs were up for the first six months of 2004 when compared with the same

---

and from Nortel's 10-Q/A Amendment 1 filed December 23, 2003 (reporting that revenues from sales to wireline carriers during the first half of 2003 totaled $1,055 billion).

23 August 19, 2004 Nortel Business Update, *supra.*

24 *See* Alcatel financial statements for first half of 2004 at 10, available at http://www.alcatel.com/investors/;jsessionid=SPBOE0JPISIVACTFR0GU1EAKMWHI23GC?_requestid=57739 (reporting revenue of € 2.64 during the first six months of 2003 vs. € 2.486 during the same period this year).

25 *Id* at 11 (reporting R&D expenditures of € 981 during the first half of 2003 and € 958 during the first half of this year.

26 Cisco 10-K at 11-12, filed Sept. 20, 2004.

27 *Id.* at 23 (reporting R&D spending of $3.19 billion in FY 2004, $3.13 billion in FY 2003, and $3.45 billion in FY 2002).

period last year, revenue growth was attributable to increased sales to unregulated wireless service providers, not to wireline carriers.[28] As a result, the company's overall revenues and jobs are still more than 60 percent lower than in 2000, and it has stated that these huge reductions are not expected to be reversed for the foreseeable future.[29]

ADC is faring no better. Revenues from product sales during the six months ending April 30, 2004 were 7.6 percent lower than same period in 2003 ($261.2 million v. $282.7 million) and R&D spending was down by 21.3% in the same period ($45.8 million vs. $58.2 million).[30]

C. The Requirement to Provide the Network Elements At Issue Here As UNEs Contributes Significantly to the Telecom Manufacturing Industry's Financial Woes

The requirement that ILECs provide UNE-P and enterprise loops and transport as UNEs is one important cause of the manufacturing industry's financial problems. This is clear from the continued depressed level of capital spending by ILECs and CLECs that this requirement helps cause as discussed in Section I. It is also clear from statements by equipment makers themselves. For example, six manufacturers supplying equipment to Verizon under that ILEC's FTTP deployment project have informed the Commission that their contracts give Verizon the unilateral right to cancel or reduce purchases without penalty if the FCC does not relax its regulatory policies:

> "Verizon's 2004 plans for . . . [FTTP] deployments are now firm. The company has committed to bringing new fiber optic technology to one million households by the end of the year at a cost of $1

---

28 *See* generally Tellabs 10-Q filed August 10, 2004.

29 *Id.* at 12 (jobs 65% lower); id. (revenues of $568.1million during first half of 2004); Tellabs 10-Q filed Aug. 14, 2000 (revenues of $1.44 billion during first half of 2000).

30 *See* ADC 10-Q filed June 14, 2004.

> billion. But its plans for 2005 and beyond are more tentative. For example, although Verizon has indicated that it hopes to extend its new . . . [FTTP] network to an additional two million households in 2005, the company also has made clear that a final decision about how fast to pursue network modernization in 2005 and beyond will depend in part on the regulatory environment which exists at that time."[31]

CONCLUSION

By the end of the year, the Commission should eliminate the requirement that ILECs provide UNE-P and enterprise loops and transport as UNEs in order to (i) increase the incentive of ILECs and CLECs to invest in telecom infrastructure and (ii) help restore health to the overall U.S. economy.

Respectfully submitted,

Noam Lotan, CEO
MRV Communications, Inc.
20415 Nordhoff Street
Chatsworth, CA 91311

Michael J. Noonan, President
Fiber Optic Network Solutions (FONS)
140 Locke Drive
Marlborough, MA 01752

Robert J. Novak, Sr. VP and COO
Charles Industries, Ltd.
5600 Apollo Drive
Rolling Meadows, IL 60008

Barry Nickerson, President
Marlow Industries, Inc.
10451 Vista Park Road
Dallas, TX 75238

John L. Vette, CEO
SNC Mfg. Co., Inc.
101 West Waukau Avenue
Oshkosh, WI 54902

Brian N. DiLascia, VP and Gen Mgr.
Pirelli Cables and Systems
700 Industrial Drive
Lexington, SC 29072

---

[31] *Ex parte* letter dated August 13, 2004, to FCC filed in this docket from Corning Inc.; Henkels & McCoy, Inc; Sumitomo Electric Lightwave Corp.; FONS Corp.; ADC Telecommunications, Inc.; and Pirelli Communications Cables and Systems NA. See also *ex parte* letter to FCC dated July 22, 2004 filed in this docket from the CEO of Fiber Optic Network Solutions Corp. and the Vice Pres. and Gen. Mgr. of Pirelli Communications Cables and Systems:

> "Verizon has made clear to our companies . . . that their [FTTP] modernization plans will remain on the rapid pace that is now projected only if the FCC continues to make substantial progress in reducing regulatory burdens . . . ."

William G Johnson, President
NorthStar Communications Group, Inc.
1900 International Park Drive
Birmingham, AL 35243

Robert F. Smith, President
Arnco Corporation
860 Garden Street
Elyria, OH 44035

Lyle G. Jacobson, President
Katolight Corporation
100 Power Drive
Mankato, MN 56001

James J. Keenan, CEO
Hendry Telephone Products
55 Castilian Drive
Goleta, CA 93117

Robert J. Robbins, President
Electrodata, Inc.
23020 Miles Road
Bedford Heights, OH 44128

Mary Vermeer Andringa, President
Vermeer Manufacturing Company
1210 Vermeer Road East
Pella, IA 50219

Daryl Ingalsbe, President
Independent Technologies Inc.*
1142 Miracle Hills Drive
Omaha, NE 68154

Michael C. Stephens, President
CBM of America, Inc.
1455 W. Newport Center Dr.
Deerfield Beach, FL 33442

N. Stephan Kinsella, Gen. Counsel
Applied Optoelectronics, Inc.
13111 Jess Pirtle Blvd.
Sugar Land, TX 77478

Brad E. Herr, President
AC Data Systems, Inc.
806 West Clearwater Loop
Post Falls, ID 83854

Keith Weiner, CEO
DiamondWare, Ltd.
4850 East Baseline Road
Mesa, AZ 85206

Adam Yang, Managing Director
CosLight Battery Company Inc.
235 Yorkland Blvd.
North York, ON Canada M2J 4Y8

James F. Collins, V.P. and Gen. Mgr.
Egide USA, Inc.
4 Washington Street
Cambridge, MD 21613

Aaron A. Bent, V. Pres.Bus. Develop.
Continuum Photonics, Inc.
5 Fortune Drive
Billerica, MA 01821

---

* Independent Technologies, Inc. also owns three other telecommunications manufacturing companies: Wintel (headquartered in Longwood, FL), Metro Tel Corp. (headquartered in New London, MN), and Sheyenne Dakota, Inc. (headquartered in Fargo, ND).

Klaus Bollman, President
Nextus Inc.
101 Halmar Cove
Georgetown, TX 78628

Eric A. Norland, President
Norland Products Inc.
2540 Route 130, Ste. 100
Cranbury, NJ 08512

Warren T. Barker, Pres.
Westronic Systems, Inc.
1715 27th Avenue NE
Calgary, Alberta Canada T2E 7E1

Laurence N. Wesson, President
Aurora Instruments, Inc.
124 South Maple Street
Ambler, PA 19002

J. D. Evankow, Jr., Director
FiberControl
1208 Highway 34, Tower No. 1
Aberdeen, NJ 07747

D. K. Johnston, Corp. Development
UltraDNS
1000 Marina Blvd.
Brisbane, CA 94005

Dr. Simin Cai, President
NSG America, Inc.
28 Worlds Fair Drive
Somerset, NJ 08873

Samuel D. Davis, President
Telesync, Inc.
5555 Oakbrook Pkwy
Norcross, GA 30093

Peter M. Pifer, CEO
Enhanced Telecoms, Inc.,
dba ETI Software Solutions
6065 Atlantic Blvd
Norcross, GA 30096

Edgar M. Buttner, President
Coastcom
1151 Harbor Bay Pkwy
Alameda, CA 94502

Hans Marosfalvy, Pres.
SPC Telequip
8500 West 110th Street
Overland Park, KS 66210

Brad Radichel, President
Condux International, Inc.
145 Kingswood Road
Mankato, MN 56001